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ANNUAL REPORT ISSUE

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Advanced Management

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Society Passes Greatest Year of Achievement

By LEON J. DUNN
President—1951-1952

THIS SPACE affords me the opportunity to express publicly my gratitude to all National Officers and Board Members for their service and leadership during the past Society year.

The privilege of being President of SAM has been a rare opportunity, and the experience leaves me with a wealth of memories and a deep satisfaction which comes to few people.

The success of the past Society year can be attributed to many people. The untiring efforts of the personnel in the National Office, and of the Executive Director, have proved invaluable. The cooperation of many individuals, committees and chapters, in their selfless zeal to carry out the objectives of the Society, has been outstanding. Their voluntary services and their free exchange of information have been profitable to local communities, to the national organization and even to an international level.

The accomplishments of the last year are more pronounced than ever before. The Society has continued to better its interests and increase the levels of management which it serves. All segments of management activity have received contributions. The objectives of the Society as originally conceived have been attained. We have continued to develop the participation of new individuals through chapters and increased the interests of those already contributing to the philosophies and development of principles. Responsible levels of management continue looking to the Society for contributions. The Society more than ever before is rightfully claiming its place among the other great professional societies of the nation and world.

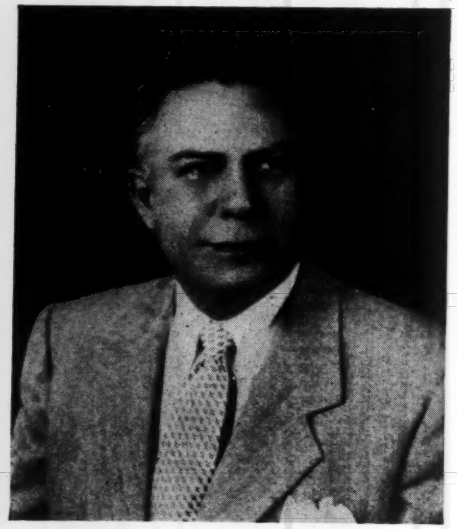
Specific gains to be noted during the past year are reflected in the greatest number of members, the greatest number of chapters, and the greatest amount of national and local activity ever recorded in the Society's history. Instead of a loss of chapters, there have been an increase of four well balanced, high level chapters added to the Society. Other good chapters are in prospect. Specific accomplishments are reflected in the development of new and additional membership classifications, a reorganization of the research and development division of the Society and in the financial position, both as to reserves and method of discharging current obligations.

This year has been a particularly successful one financially, from the standpoint of the Society. After the 10% investment reserve, we have an operation $15,000 better than the budget planned for the year. Much of this is due to the excellent administration of the National Office, where expenses were controlled exceedingly well. Net income from our two Conferences amounted to $19,540, which was a gain of better than $7500 of net Conference income over budgeted expectations. As of the year-end, we have total assets of $132,454, with net assets of the Time Study Rating Committee amounting to $24,816. Total funds of the Society equal $157,270. This compares with $75,329 on Feb. 28, 1950.

Our financial growth, in less than two and a half years has been as great as in the previous history of the Society. Except for a minimum working fund in commercial banks of approximately $12,000, all of the Society's funds are at work, either in bonds or savings accounts. In looking ahead to the continued financial growth of S.A.M., progress will be possible if the basic policies established in the recent past are continued. This involves membership growth and the able management of all its activities, particularly the Conferences.

The transfer of the national office to its present location at Fifth Avenue and 37th Street places it in a position to be made more available to more members of the Society.

The future of the Society looks brighter and more promising than at any time in its history. The National Board of Directors has become a unified and constructive group, cooperating with each other in advancing the principles of the Society. Their unity will provide the strength to achieve more fully the objectives of the Society, which will be reflected in greater accomplishments in the years to come.



EDWARD W. JOCHIM, General Manager of the Chicago Plant of the Personal Products Corporation and member of the Board of Directors of Personal Products (subsidiary of Johnson & Johnson), served the Society as National Director and President of the SAM.

Mr. Jochim is a member of the American Management Association, the American Arbitration Association, the Illinois Manufacturers Association and is on the Board of Directors of the Clearing Industrial Association. He has been active as a Committee Chairman of the Boy Scouts of America, a member of the Western Society of Engineers, the Industrial Management Society and the Chicago Technical Council.

LOOKING AHEAD

By EDWARD W. JOCHIM

Executive Vice President—1951-1952
President Elect—1952-1953

NEW BEGINNINGS keep life interesting. This is my beginning as your President; I look forward to the interesting year ahead.

Our Society is now 40 years old—a mature adult. It has seen all the vicissitudes and has been strengthened by the facing of adversity, as well as by the fruits of success.

We find our finances in good shape. We have a stabilized membership. We have an adequate research fund. We have an excellent office staff. We are heartened by the offers of active assistance by experienced, substantial people. We have, in short, a solid foundation upon which to build solid progress.

We will have five major objectives in the coming year. The first objective will be to establish a closer relationship between the National and the Chapters. The second objective will be to distribute the management and responsibilities of the National to a broad representative group. The third objective will be to increase our membership by retaining our present members, reinstating those who have drifted away from us, as well as by seeking new members and new chapters. Our fourth objective will be to expand and intensify our research in the field of advanced management so that our Society will become increasingly known as a source of new and improved managerial thinking. Our fifth objective will be to maintain our Society as a respected representative of the best in American management.

With your help, we can, and will, achieve these objectives.

Society Launches Major Research Activity

By HAROLD F. SMIDDY

National Vice President of Management Research and Development

REORGANIZATION OF RESEARCH

THE REORGANIZATION just completed was described at some length at the time it was proposed, in a detailed report entitled: "Report and Recommendations on Management Research Program", submitted by Harold F. Smiddy as Vice President — Management Research & Development, to the Board of Directors prior to, and for consideration at, the April 1952 meeting. The plan therein proposed was approved by the Board and has now been effectuated. Somewhat over-simplified, its main elements are as follows:

(1) All of the Society's various projects which are essentially of a Management Research or Development nature have been pulled together in the Management Research & Development Division; and, in turn, other activities that were in that Division in the organization pattern which had been in effect since 1945, have been either dropped or moved elsewhere.

(2) The Management Research & Development Division is under a Vice President, and currently Mr. Harold F. Smiddy has agreed to continue in this capacity through a reasonable transition period.

(3) Working with such Vice President is a national "Management Research & Development Committee" of about a dozen outstanding senior members of the Society, whose experience qualifies them to guide policy in this field. This Committee will normally meet twice a year, at the time of the Spring and Fall National Conferences of the Society. It both advises and guides the general policy of the Society as to its efforts to advance the principles of Management, and to improve the content of all Society programs, conferences, publications; and also assists directly each year in selecting the specific fields and projects in which the Society should concentrate its Management Research activities.

HAROLD F. SMIDDY is the head of the Management Consultation Services Division of General Electric. Mr. Smiddy is also a member of the Board of Directors of the International General Electric Company and the General Electric Credit Corporation. He is a member of the American Management Association and Vice President and Director of the National Management Council and a member of the CIOS Executive Committee, the American Society of Mechanical Engineers and the American Institute of Electrical Engineers.

(4) Normally there will be about three National Research Projects under way, with the idea that the ordinary life cycle for such a Project would be about three years. Thus, each year there will be one starting, one about in the middle and one finishing.

(5) The general thought as to each Project is that SAM will be able to find subjects which are not being adequately treated by others, so as not to duplicate, but which are of such general interest that the fruits of SAM's research will—for most of the projects at least—be "saleable" so as to liquidate the Research Project cost. This will not always be true, as there will be some projects which will be undertaken in the interest of the Society's own programs and structure, but in the main a major criterion will be that unless a project is of such interest that the results of the research will have value to Society members and to industry and educational institutions generally, it will probably not be undertaken.

An example of a desirable type of project is the Rating of Time Studies Project, which produced the films and Manual now being widely accepted on a national scale.

(6) There will be an individual "Research Project Committee" for each approved project; including new ones adopted hereafter and those which are currently under way or the latter cate-

gory embracing the Management Code of Ethics Project, the Industrial Engineering Glossary Project, and continuation of the second phase of the Rating of Time Studies Project.

Normally, about one or two members of the national "Management Research & Development Committee" will also be members of each Research Project Committee, to facilitate close liaison between the individual projects and the Society's overall program. Each Research Project Committee will be responsible for reporting at least quarterly—and oftener as a particular project is in an active period—to the National Committee as to its progress, problems, plans, schedule and budget status.

(7) Since the distinguishing characteristic of SAM is its high decentralization, and the great degree to which its basic work is performed fundamentally in and for the decentralized Chapter (and Student Chapter) organizations, every effort will be made in all Research Projects to take maximum advantage of, to ask participation from, and to put results in form to be of greatest benefit to, the Chapter officers and members.

(8) Ordinarily, the objective will be to have the initial plan for, and later the subsequent results of, each "Research Project" announced at one of the Society's two semi-annual National Conferences. At the same time that the research results of any finished project are thus announced, there will also be made available a simultaneous program as to how it is suggested that they be disseminated and used, both in SAM's national and Chapter activities and otherwise, especially where salable films, books, manuals, articles or other material has been produced.

(9) All proceeds above out-of-pocket costs will go into a "Research Revolving Fund", and not into SAM's general treasury. Such Fund will also be increased by all monies raised for specific research projects through industrial contributions, through money from foundations, and other sources. In turn, each Research Project will have its own budget, which will be financed from such sources and Revolving Fund, and not from the Society's general treasury.

There is, however, a regular appropriation from the Society's general funds to help carry a part of the general administrative costs of the Management Research and Development program (as distinct from the cost of specific Research Projects). Currently, the budget for the coming fiscal year provides that a percentage of Society income, which formerly went to create an Operating Reserve Fund, is presently being made available for such purposes.

(10) In line with this program a competent Management Research Director is being appointed as a member of the paid staff of the Society at the National Office. This Director will be available to render services to the individual Research Project Committees, to the National Management Research & Development Committee, to the Vice President in charge, and generally to assist officers, committees and chapters.

He will report for office administration purposes to the Executive Director in the National Office, and for general guidance as to the scope and nature of his work and budget, to the Vice President for Management Research & Development.

The following are members of the National Management Research Committee:

J. O. P. Hummel—Assistant Vice President and Chairman
Harvey E. Becknell
F. F. Bradshaw
Bishop Brown
William H. Brush, Jr.
Don Copell
Phil Carroll
Ralph C. Davis
James H. Eddy
Frank E. Fehlman
Howard K. Hyde
Alex W. Rathe
David B. Porter
K. O. William Sandberg

SAM RATING FILMS

AFTER ELEVEN YEARS of research, the Society for Advancement of Management has made available eight reels of 2,800 feet of 16 mm. film, black and white silent, showing 24 separate industrial, clerical and laboratory operations. These present for the first time a uniform concept of a fair day's work. The study of 120 separate performance rates, is based on some 150,000 ratings by more than 1,800 engineers in over 200 industrial companies throughout the nation.

The 24 operations include the fields of packing; light, medium and heavy operations; clerical; maintenance-service; and simulated operations. All sections of the country are represented by the companies studied. Many outstanding firms of the nation contributed to the cost of making the films. The net income from the sale of the films is restricted to further research in the field of industrial engineering.

The SAM Rating Films have been used to:

1. Reorient experienced time study men in performance rating.
2. Train apprentice time study men to rate properly, and help them develop speed, accuracy and confidence.
3. Acquaint supervisory personnel and production operators with the basic principles of performance rating.
4. Instruct union officers and stewards in good rating techniques.
5. Provide a concept of normal that can help solve disputes about specific time standards.

The SAM Rating Films have been purchased by some 127 large and small companies throughout the nation, by sixteen Universities and by nineteen firms in foreign countries. The Departments of the Government have also found use for them. The money from the sale of these films has been placed in a Revolving Fund for further research. More additional information can be arrived from the data already gathered which will throw more light on the time study practices in this country.

This new research will deal with: variability of individuals, practices followed by individual companies, rating errors caused by order of scene arrangements, correlations on length of experience vs. accuracy, familiarity with operation being rated vs. accuracy, "preferred numbers" tendency vs. accuracy and concepts of proper performance held by incentive companies vs. non-incentive companies.

The Rating of Time Studies Project was reopened on February 1, 1952, with the signing of a new agreement with the Research Division of the College of Engineering, New York University. Funds realized from the sale of rating films made the new research possible. Professor David B. Porter of N. Y. U. is the Project Director as before. Dr. Herbert A. Lynch, who was formerly the Project Engineer, is the consultant for the study.

The work contemplated is a statistical analysis of the data that was collected in the original survey but which was only partially analyzed. Partial analysis was all that was required to meet the original goals; however, it was recognized that much interesting and valuable information remained to be extracted.

At this time, the basic statistical work on the variability of individual raters has been completed. The ratings of over 600 of the 1200 men who established the time values for the 24 operations were treated statistically.

Using these basic statistics, correlations between rating accuracy and length of experience and between familiarity with the particular operation will be established. Some preliminary work indicates that both of these correlations are low. This indicates that there is little improvement in rating ability as experience lengthens. Even more interesting is the indication that it is not necessary to be thoroughly acquainted with an operation in order to rate accurately—although it is probably necessary to understand the method and the skill requirements. Such necessary information was given the raters beforehand.

Preliminary work on the data also indicates that those companies that had rating training sessions for their time study observers tended to rate with greater accuracy than those that did not.

Other areas of investigation will be regional differences in concept of proper performance, the effect of fixed fatigue allowance, and many others.

A report will be submitted when the analytical work is completed. This report should be ready in late summer.

MANAGEMENT CODE OF ETHICS

THE SOCIETY'S RESEARCH project on the Management Code of Ethics is progressing under the chairmanship of Professor Ralph C. Davis of the Ohio State University. Other members of the Committee are: Robert C. Trundle, Dr. C. Canby Balderston, Fred R. Rauch, and Dr. F. F. Bradshaw.

The objective of the project is to formulate a code of management ethics which will contribute to greater public confidence in our economic system generally, and in particular, the executive leadership of our business organizations.

The General Requirements and Policy Considerations are:

a. The fundamental ethical concepts on which such a code is based should be compatible with those held by a majority of citizens and executives. Otherwise, there can be little assurance of general acceptance in the immediate future.
b. The concepts of right and wrong that are stated in such a code must be broad and basic. They should serve as guides for:
   1. The development of codes, within the framework of the SAM code, by companies and industries to meet their specific needs.
   2. Executive policy decisions under war-time as well as peace-time conditions.
c. The code should strengthen the position of the right of private property in our economic, political and social economy. It is suggested that this right is fundamental to the continuance of such rights as those having to do with free enterprise, the customer's freedom of choice, collective bargaining and others that are provided in the Bill of Rights. They are a requisite for the continuance of our economy.

The Management Code Committee reports its activities and accomplishments as follows:

> After having been assigned the task of determining what ethical concepts are commonly recognized by business executives, and if possible, the extent to which these executives are actually guided by such concepts in formulating policies and conducting their business relations, the mission of the committee was to make such recommendations concerning a management code as it saw fit.

The following steps were taken by the Committee during the year:

1. The metal-trades industries were selected for study, because of their numbers and importance.
2. The Bureau of Business Research, Ohio State University, performed the following services for the Committee:
   a. A list of trade associations in the metal-trades field was compiled.
   b. A system of coding was worked out to facilitate the classification of codes.
   c. Letters were sent to 450 trade associations in the field, requesting copies of their management codes. A very substantial number of codes have been received in reply.
   d. These codes will be analyzed and their contents classified by the Bureau, beginning on July 1, approximately. The plan of analysis and classification will be submitted in advance to the Committee for its concurrence. The membership lists of selected associations will be surveyed by the Bureau to determine the influence of industry codes on company policies and practices.
   e. The Bureau will make any statistical analyses that are necessary. The Committee will interpret the managerial and social significance of the data which will then become the property of the Society. It is hoped that the project will be completed before the end of the year.

GLOSSARY OF TERMS

THE National Research Industrial Engineering Committee, directed by James H. Eddy, is continuing with its project of the "Glossary of Terms Used in Methods, Time Study and Wage Incentives." The project is now at the point of editing the raw material sent in by SAM Chapters who took part in this project.

This basic management research project is the first effort to develop an authoritative glossary in the area of methods, time study and wage incentives in answer to the universal fundamental need of management men in all countries. The usage of terms varies from plant to plant, area to area, management engineer to management engineer—thus the consolidation of terms is worthwhile not only on a national basis but an international one. It is evident that this consolidation will bring about a more complete workable level for better understanding and better cooperation.

There was participation in this project by at least six SAM Chapters, including Atlanta, Wilmington, Birmingham, Hudson Valley, Pittsburgh, and Detroit who sent their material to the members of the Industrial Engineering Committee. The publication date will be announced in the near future.

THE NATIONAL CONFERENCES

SAM CONTINUES its program of making original contributions to the field of management by presenting outstanding National Conferences. This is the sixth year in a row that National Conferences have attracted sufficient registrants to provide a substantial excess of income over expenses to defray a substantial part of the operating expenses of the National Office.

NON-MEMBER INTEREST

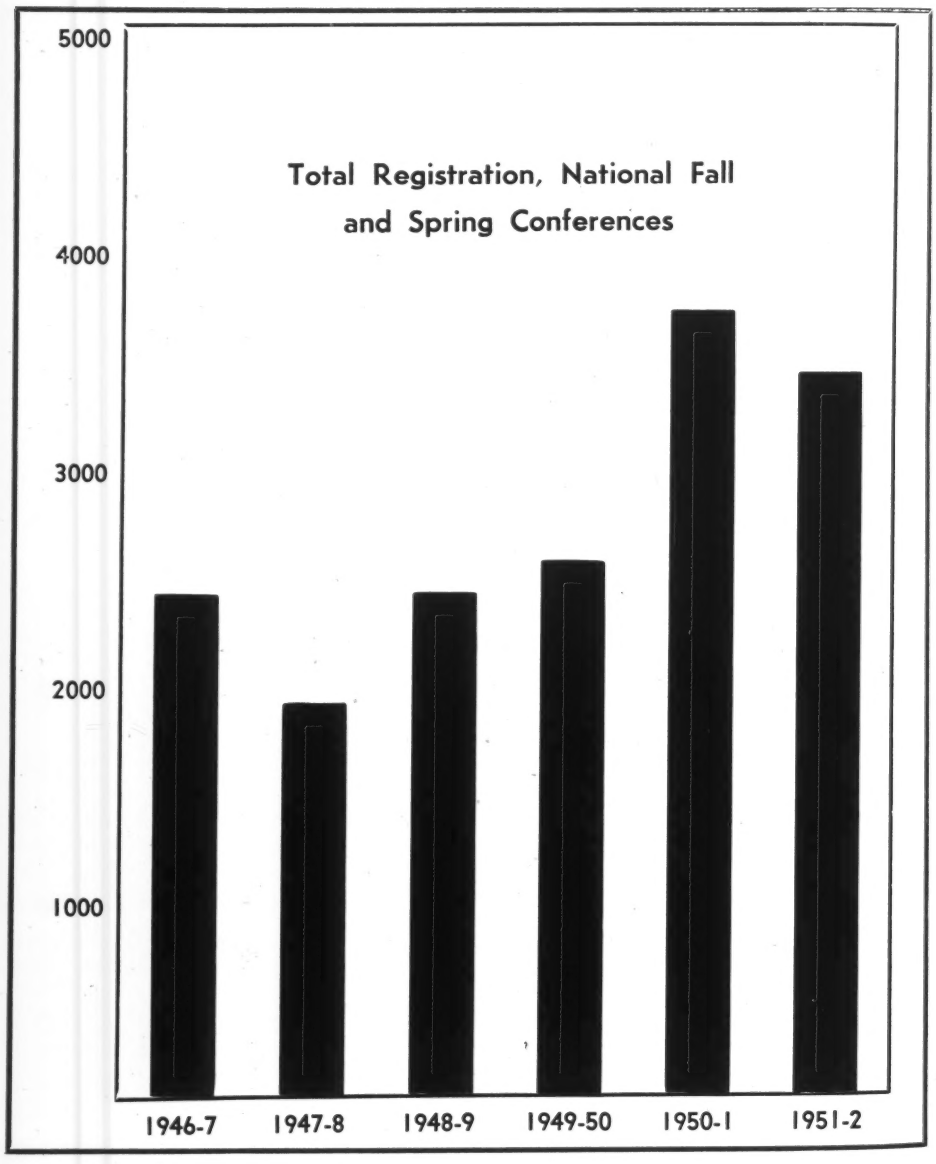
SAM IS ATTRACTING more non-members to its Conferences as a result of the well-planned programs which are promoted through its own extensive mailing list. Contributions to the advancement of management, wherever it is practiced, are increasing through the exchange of information at Conferences and through publication of their Proceedings. Copies of the Proceedings are eagerly sought, distributed widely and relied upon as original contributions to improved practices.

Many non-members become acquainted with Society activities for the first time through attendance at National or Chapter Conferences and as a result join local chapters or interest others in the organization of a new chapter.

TIME STUDY & METHODS CONFERENCE

THE SEVENTH ANNUAL Time Study and Methods Conference was held at the Hotel Statler in New York City on April 24 and 25. This Conference provides the answers for a large segment of the Society's members and others who want leadership in technical fields. It is co-sponsored by the American Society of Mechanical Engineers with the operating arrangements provided by SAM.

Co-chairmen of the Committee were H. B. Maynard for ASME and A. J. Bergfeld for SAM. Fred Hornbruch was program chairman. Other committee members were Paul MacCutcheon and Lawrence L. Parrish. This voluntary committee provided, after two winter meetings, a superior and well balanced program and speakers on the Application of Time Study and Methods to a variety of management problems. One session of this conference was devoted to the latest research in the field of Time Study. A special Conference room was added for the purpose of showing the



Society's films on the Rating of Time Studies and for demonstrating new charts, rating forms, methods and techniques applicable to the films. More than a thousand engineers rated performances and received special instructions in the uses of the films.

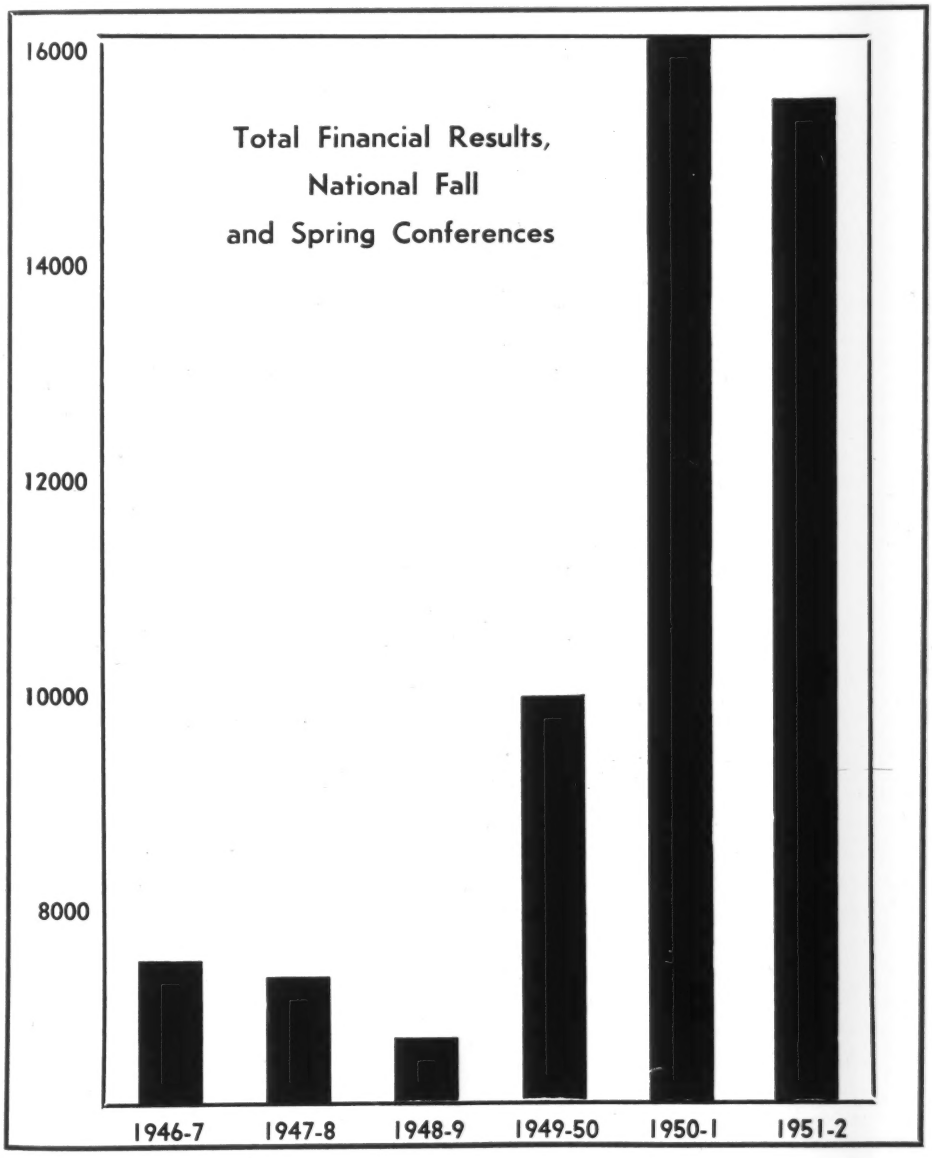
In spite of increased operating costs, the improved organization and management of this conference through the National Office, resulted in a net profit of $11,285 from a registration of 1869 members and non-members.

ANNUAL CONFERENCE

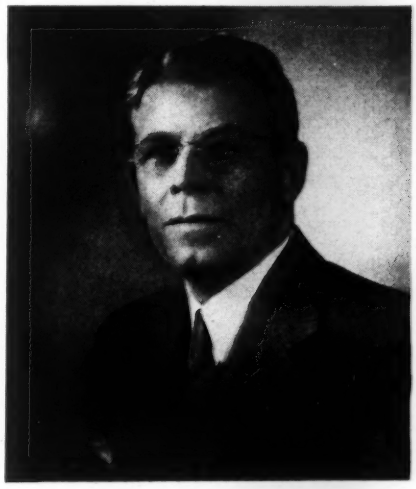
The Annual Conference, held at the Statler Hotel in New York City last November 1 and 2, continued to keep pace with the previous record-breaking enrollments by attracting 1761 registrants.

Reasons for the greater audience interest in SAM objectives and means of accomplishing them can be attributed to the quality of the broad management program. A two-day program devoted to Productivity and Cost Reduction, and an additional two-day program on Human Relations running concurrently provided more up-to-date management information than has ever before been offered by the Society.

In addition to the twenty-four other authorities in their respective management fields, outstanding nationally known speakers included Dr. Kenneth McFarland, Educational Consultant and Lecturer, General Motors Corporation, Detroit, Michigan, Dean Donald K. David, Harvard Graduate School of Business, Boston, Massachusetts, and Glen L. Gardner, Vice President, Forstman Woolen Company, Passaic, New Jersey. Profits from this Conference continued near the $5,000 mark. The list of top executives who appreciate the value of well organized programs continues to grow through the select mailing list developed in the National Office. Comprehensive programs of recognized merit increasingly add to the proportion of top executives in Conference attendance.



Executive Vice President 1952-1953



Bruce Payne

Mr. Payne is the President of Bruce Payne and Associates, Inc., management consultants of Westport, Conn. He served the Society for two years as National Treasurer and is a member of the American Management Association, the National Management Council and the National Association of Cost Accountants.

THE NATIONAL OFFICE — The Staff and Their Duties

THROUGHOUT the past year the National Office has continued to increase its many services to the members of SAM and the Chapters. The present location at 411 Fifth Avenue is more desirable and accessible to both SAM members, many of whom have visited the new offices, and the National staff. The main office and seven smaller offices, which are modern and adequate in space, are located on the sixth floor overlooking Fifth Avenue and Thirty-Seventh Street. The new offices are more conducive to the efficient accomplishment of the Society's objectives.

INCREASE IN SERVICE

The National Office has continued to increase its services to both old and new Chapters. The New Chapters can find assistance from the National Office in organizing their programs, securing speakers, developing clinics and round-table study groups, securing their financial position, and in furnishing leadership with experience in the problems they encounter. Many old Chapters call the National Office for assistance in the mailing of announcements of their conferences and other programs, and for information concerning Chapter operations connected with the Society.

Methods of obtaining publicity, conducting conferences, building membership, doing research and working toward performance awards can be secured through the National Office as well as recommendations for balancing grades of membership, improving financial positions, conducting clinics and commanding community recognition.

This year the National Office has prepared a new format of the organizational manual which will go to all Chapter officers and will contain all National Committees and National Officers. Another new item that has been added to the National organization is the Taylor Room, located in the Society's headquarters, which is available for the Committee meetings of the National Officers. The installation of a bookbinding machine, new stencil cabinets, and two new Executive IBM typewriters has brought more efficient methods for better production into the office.

OFFICE STAFF

The National Office staff has not been increased, although their work load has almost doubled. Nine girls and the Executive Director comprise the staff of the Office. With their main duties listed, they are: Office Manager—Marion Cusick, Secretary — Barbara Teed, Bookkeeper — Ruth Pisan, Assistant Bookkeeper — Ruth Wurmser, Membership Secretary and Switchboard Operator — Claudette Le Bel, Student Membership and Mailings—Mignonette Brown, Publications and Emerson Trophy — Helen Postrong, Addressograph and Graphotype Operator — Mary Hayden, and Assistant Editor, Public Relations and Advertising—Mary E. Cawthon.

This staff handles an unusual amount of work each year. For example, the amount of mail runs more than three times the 1948 total of 75,000 pieces. In addition to this amount, the monthly STUDENT NEWS LETTER of 750 copies, averaging 30 pages each, is mailed to each student officer of SAM. Also the Office staff handles the Conference announcements; press releases; Conference programs; complete mailing of the PROCEEDINGS; local, area and regional conference and clinic announcement mailings for the Chapters; promotion brochures; orders for films; mailings of reprints; billing and collection of membership dues; complete McBee records on each member of SAM; and all general correspondence, including advertising requests, questions concerning members, and the many general information requests.

PUBLICATIONS

In the Publications Department articles are requested for the monthly magazine, ADVANCED MANAGEMENT. These articles are edited, compiled for the magazine and published. Advertising is solicited and press releases concerning the new Society officers and the Conferences are written and released. ADVANCED MANAGEMENT is published each month with 9800 copies as an average run. The CONFERENCE PROCEEDINGS are edited, published and mailed from the National Office. Production of reprints of articles is handled by the Publications Department.

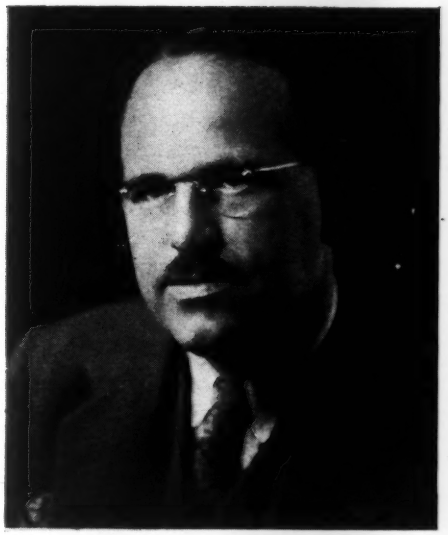
The mailing list is continually expanding which brings about better Conference registrations, more magazine subscriptions, a large sale of reprints and more profits from the PROCEEDINGS sales.

The National Office staff made all the administrative plans and arranged details for their fulfillment for both the 1951-1952 Conferences. All announcements, programs, advance registrations and reservations, speakers schedules, banquets and meeting rooms were handled by the National Office Staff, which also conducted the registration and complete details of the Conferences when they were being held.

THE STUDENT CHAPTER ACTIVITIES

By DR. RALPH L. JACOBS

National Vice President of Student Chapter Operations and Development



WE ARE COMPLETING the sixth year, since the reactivation of our S.A.M. Student Chapters following World War II. Back in June 1946, we established a goal of 40 student chapters and 1500 student members, which we achieved. Then we revised our goal to add 20 student chapters and 1500 student members, every year. Fortunately we again achieved our goal. With the help of our sponsoring chapters, we were able to organize chapters at colleges of business administration. Again, in our third year we met our goal by having 511 additional members and organized 78 of our goal of 80 student chapters. The fourth year was most encouraging, when with 97 student chapters, a membership all high of 5550 was secured.

COMPETITION

As we went into the fifth year, a new problem faced us, viz: the competition of new specialized organizations. It has been our opinion that the Society for Advancement of Management represented no special interest; that by inviting potential students from production, industrial relations, distribution, finance, technical and administrative fields it was motivated by a selfless zeal to spread the benefits of scientific management wherever management is required. We gained 11 new student chapters. During our sixth year our expansion program has spread to the point where we have 91 student chapters. The following four new student chapters were added this, our sixth year: Butler University, Ohio University, University of Alabama and West Virginia University.

The Student Chapters of the Society for Advancement of Management differ from other organizations on the campus of our colleges and universities in two ways:

1. *Contribution of our Student Chapter Coordinators.* We recognize the limitations of classroom education, as well as, the importance of supplementing experiences and opportunities that are made available by our Society to those students interested in management of business and industry as a career. By having industry and business, through the agency of our Student Chapter Coordinator, provide cooperative action, the total effect is greater. Our liaison officer through the President of the sponsoring Chapter, seeks out members of the sponsoring Chapter to provide the necessary counsel and guidance.
2. *Contribution of our Faculty Advisor.* We recognize that we learn and accomplish more by doing, by participating. Our Faculty Advisors consider the heavy schedules our student members carry today and advise the officers of the Student Chapters how to use the principles of management by delegating and sharing duties and responsibilities with all student members. The entire membership is urged to participate. Thereby a great diversity of educational activities and experiences are encouraged.

Some examples follow.

1. *Management Fair.* Outstanding work of a New York Student Chapter has for a number of years brought business and industry to the college by organizing a management fair. Over twenty companies located in the New York metropolitan area furnished exhibits and personnel covering the following management fields: Production Control, Personnel Management, Office Management, Purchasing and Traffic. Every student participated in these activities for an entire week.
2. *Instructional Tours.* Many Student Chapters, for example, first arrange for viewing a film that describes

Ralph L. Jacobs, management consultant of Cincinnati, Ohio, is a member of the National Industrial Conference Board, National Vocational Guidance Association and the National Educational Association. He has been the National Vice President of Student Chapter Operations and Development for several years.

step-by-step the functions, services, and workings of the organization; second, they conduct students in small groups under the direction of a leader who is familiar with the details through the plant; third, student members are assembled for a question and answer period. All our student chapters arrange for tours in business and industry.

3. *Seminars.* Other Student Chapters schedule seminars under the guidance of the Faculty Advisor covering selected current events and subjects pertinent to management. Leaders are selected from members of the faculty and industry.
4. *Forums.* Some Student Chapters invite the faculty, students and the general public to attend a series of forums which they sponsor as a joint activity with the college. Several leaders are selected to represent different aspects of the given problem and share the stage with the moderator.
5. *Round Tables.* Another popular form of Student Chapter activity is to invite a guest to lead an informal discussion. He is plied with questions related to the topic of the evening, which is concerned with some particular phase of management.
6. *Professional Meetings with Outstanding Speaker.* Most all Student Chapters schedule outstanding speakers to address their monthly meetings. The address is followed by a discussion period.
7. *Tour to Distant City Covering Several Days for Visiting Plants.* Among others, a few Student Chapters schedule an annual tour to another city. They schedule three or more days to visit a number of plants and hold a joint meeting with their sponsoring chapter.
8. *Annual Day and Evening Philadelphia Area Conference.* Our Student Chapters in the given metropolitan area take turns in serving as host chapter each year. Each year one of the six universities' Student Chapters serves as host chapter. After registration, faculty and student members assemble to hear the kick-off address. Then the program is arranged so that attendants may select their choice of several meetings scheduled for the same time, which is followed by another general assembly to hear a panel of speakers. Dinner is served when an outstanding national leader addresses the assembly. One Student Chapter schedules a somewhat similar career forum where a general program is followed by specific discussions by representative leaders on such topics as Cost Accounting, Industrial Engineering, Purchasing, etc., in concurrent sessions.
9. *Annual National Student Chapter President's Conclave.* For the past six years, we have held each year a Spring and Fall Student Chapter President's Conclave one day before the two annual conferences, held in New York City. These conclaves are well attended. Presidents from distant California, North Dakota, Texas, Alabama make arrangements to attend. The Faculty Advisor and Student Chapter President from the University of Puerto Rico attended our last Spring Conference.
10. *Senior Chapter Monthly Meetings.* Most Student Chapters consider it a definite advantage to attend monthly meetings of the sponsoring S.A.M. Chapter. All sponsoring chapters invite student chapters to

(*Continued on Page* 24)

STUDENT CHAPTERS—1951-1952

Alabama Polytechnic Institute
American University
Antioch College
Babson Institute
Boston College
Boston University
Bucknell University
*Butler University
Carnegie Institute of Technology
Case Institute of Technology
City College of New York
Clarkson College of Technology
College of William and Mary
DePaul University
Drexel Institute of Technology
Duquesne University
Emory University
*Geneva College
George Washington University
Georgetown University
Georgia Institute of Technology
Golden Gate College
Hofstra College
Hudson College (St. Peters School of Bus.)
Illinois Institute of Technology
Indiana University
Johns Hopkins University
Kent State University
LaSalle College
Lawrence Institute of Technology
Los Angeles State College
Louisiana Polytechnic Institute
Louisiana State University
Loyola University (Chicago)
Manhattan College
Michigan State College
Mississippi State College
Montana State College
Newark College of Engineering
New York University
North Carolina State College
Northeastern University
Northwestern University
North Texas State College
Ohio State University
*Ohio University
Oregon State College
Pennsylvania Military College
Pennsylvania State College
Purdue University
Rensselaer Polytechnic Institute
Rutgers University
St. Johns University
St. Josephs College
St. Louis University Institute of Technology
Seton Hall University
Southern Methodist University
State University of Iowa
Syracuse University
Temple University
Tulane University
*University of Alabama
University of Baltimore
University of Bridgeport
University of California at Berkeley
University of California at Los Angeles
University of Connecticut
University of Dayton
University of Florida
University of Georgia
University of Illinois
University of Maryland
University of Minnesota
Univesrity of Oklahoma
University of Pennsylvania
University of Pittsburgh
University of Puerto Rico
University of Rhode Island
Universiyt of Richmond
University of Southern California
University of Tennessee
University of Texas
University of Toledo
University of Wisconsin
Wake Forest College
Washington University
Western Reserve University
West Virginia University
Woodbury College
Yale University

*Added during 1951-1952

PUBLICATION ACTIVITY INCREASES

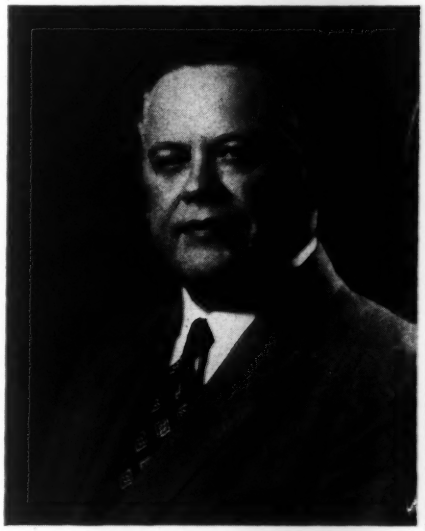
ADVANCED MANAGEMENT has throughout the year brought to its readers many worthwhile articles by outstanding authors. All of these articles are contributed with no compensation to the authors, but with a genuine interest in the continuous flow of front page management "know-how." The authors feel a definite need for the exchange of valuable research and information in a published form. A wide range of topics including executive health, government administration, human relations, controls, incentives, and executive development and many others, have been presented to the students of management. ADVANCED MANAGEMENT has endeavored to cover as many subjects in the field of management as possible with no special emphasis on one, thus giving the readers a wide scope of thought and study.

The response of the readers to the articles which have appeared in ADVANCED MANAGEMENT has been high. An increasing number of requests for reproduction or reprint rights have been received. Many letters of congratulations on the "intelligent management magazine which is bringing to its readers a well-rounded program of planned reading" have been received in the Office offering positive proof that the readers are interested in the Society's publication.

ADVANCED MANAGEMENT material has been digested, quoted, listed and reviewed in many publications—national and international. There is a definite increase in the number of foreign publications that are now carrying the management message in many languages. Here is a partial listing of those publications that have found ADVANCED MANAGEMENT material sufficiently interesting and informative for publication.

Coordinator (Dun & Bradstreet)
Notes and Quotes (Conn. General Life Insurance Co.)
The Foreman's Digest
Publishers Digest
Soziale Beziehungen in der Industrie (*Frankfort, Germany*)
Wage and Salary Report
The Advertiser's Digest
The Manager (*London, England*)
The Record (Records Management Association of New York)
Executives Digest
Supervision Digest (Stevens-Davis Co.)
Management Digest (Prudential Insurance Co. of America)
Management Abstracts (British Institute of Management)
Doelmatig Bedrijfsbeheer (*Holland*)
Single Service News (Field Research Division of Paper Cup and Container Institute, Inc.)
Arbeitsqissenschaftlicher Auslandsdienst
Digest of Current Reading for Executives
N.A.C.A. Bulletin
Management Digest (Australian Institute of Management)
Operational Research Quarterly (*London, England*)
The Management Review (AMA)
The Engineering Journal (*Montreal, Canada*)
The Time Study Engineer (*London, England*)
Office Executive (NOMA)
Management Guide
Leadership Training Institute (*Honolulu, Hawaii*)
National Industrial Conference Board
Western Electric Company (*Kearney, N. J.*)
The Standard Oil Company (*Cleveland, Ohio*)
Koppers Company
Standard Oil Company of New Jersey
Lily-Tulip Cup Corporation

Treasurer 1952-1953



Harold Engstrom

Harold Engstrom is the Manager of Industrial Engineering with Sylvania Electric Products of New York City. Mr. Engstrom was National Director and President of the Baltimore Chapter of S.A.M. and Chairman of the 1948 Time Study and Methods Conference of the Society. He also served as Vice President in Charge of Manufacturing of the New York Chapter of S.A.M. and Chairman of the Incentive Council of the National Industrial Conference Board.

Many times articles, in all or part, are reprinted in textbooks and used as classroom material or as reference sources by leading educational institutions. A sample listing of these institutions appears below:

Wayne University
University of Minnesota
Cornell University
Purdue University
Michigan State College
University of Connecticut
University of Washington
Harvard University
University of Michigan
DePaul University
Northwestern University
Clarkson College of Technology
University of Wisconsin
Pratt Institute
New York University
Syracuse University

(*Continued on Page* 24)

POLICIES AND PURPOSES OF SAM

A TOP RECORD of attendance at a business and policy meeting was realized when fifty of the fifty-three Chapters of SAM were represented. The National Board of Directors Business and Policy Meeting held at the Hotel Statler in New York City on April 26th, brought together SAM members from all over the country. With this evidence of the true representation of the Chapters of SAM came the knowledge of active Chapter participation in the policies and progress of the Society. This is the most successful year of effective relationships between the Chapters and the National Organization. The National Organization has reached a high point in its interest and close cooperation with the Chapters and the Chapters, in response, have shown an outstanding degree of participation and coordination in attaining the objectives of the Society.

Following the completion of the reports from the National Officers, the policy agenda was given consideration. The agenda covered the topics of revision of membership grades and dues, regionalization, research, and a new application blank for membership.

Effective as of July 1, 1952, there are new types of memberships possible in the Society. Several of the membership classifications were revised. The membership grades of Firm, Honorary, and Life remain the same. A more realistic and acceptable definition of the Member (individual) grade was considered and adopted. In the grade of Associate Member the age limit of 30 was abolished and a time limit of five years in that grade was inserted in the classifications. Two new types of membership were originated—Junior Member and Fellow. Junior Members may be admitted if they are graduates of an accredited college of management or specialized area of management, or individuals active in the art and science of management with five years of experience and not over 25 years of age.

By self petition with the approval of the Chapter Officers, any member may, through his activity in the Society and his contribution to the advancement of management, be elected a Fellow by a two-thirds affirmative vote of the National Board. He must have been a full Member for a minimum of five years and have earned thirty merit points in accordance with the schedule set up by the Board. At the end of each Society year, the Executive Committee can award merit points based on the individual member's performance or equivalent service. Points earned before the adoption of this membership grade will be acknowledged in the count as well as future points. The following is the schedule for merit points:

Contribution Made	Possible Number of Points Per Year
NATIONAL	
President	12
Board of Directors	1
Executive Vice-President	7
Secretary	5
Treasurer	5
Vice-President	5
Assistant Vice-President	3
Divisional Directors	2
Chairman of Major Committee	3
Members of Committee	2
Attendance of meetings of Board of Directors of Executive Committee by members or associates	1 per meeting
LOCAL — As reported under Emerson Trophy Award Program	
President	5
Vice-President	3
Secretary	2
Treasurer	2
Directors	1
Chairman of Major Committee or Round Table	1
Senior Member (in Chapter or at-Large)	1 (not to exceed 15 pts. total)
Attendance at Chapter Board of Director meetings	½ per meeting

The new classification revisions of membership need not reduce the grade of any present Member of the Society.

MEMORIALS

We report with sincere regret that the following members passed away during the 1951-1952 Society year:

Name	*Chapter*
James G. Cullen	Wilkes-Barre
Gregory P. Grace	Pittsburgh
Deane S. Hazen	New Haven
Morris E. Leeds	Non-Chapter
Paul R. Lewenz	Cleveland
J. Charles Mottashed	Detroit
Harrison Parkman	Washington
Warren Rogers	Cleveland
Benedict M. Sayre	Chicago
F. A. Schotters	Cincinnati
G. Spiramulu	Non-Resident
J. L. Thompson	Pittsburgh
Vincent J. Vallette	Boston
John N. Walters	New York
Philip P. Welch	Washington
Thomas Holden White	Cleveland

REVISED APPLICATION BLANK

Designed to conform with the policies of other great national professional organizations, the application blank for membership has been completely revised. The new application designates fully the types of membership grades, their requirements and qualifications, and the amount of entrance fees and dues. For the applicant's information it also explains the types of membership, how to determine the type of membership, the reason for suspension, and an explanation concerning reinstatement.

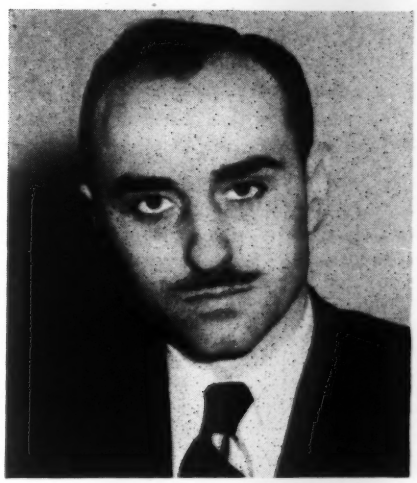
REGIONALIZATION

In its report the Committee on Decentralization recommended that SAM authorize the creation of regional organization elements in the Southwest and Southeast areas; that Chapters in the vicinity of Dallas, Texas and Atlanta, Georgia, which wish to cooperate in this venture be advised of their freedom to do so; that Regional Representatives protem be designated to guide these activities, and represent these areas on the

(*Continued on Page* 22)

CHAPTER SPECIAL ACTIVITIES

S.A.M. chapters are well regarded for their contributions to community and industrial development. The contributions of individual chapters have covered actual projects in worker productivity, management controls, management-labor cooperation within the community, applied worker incentives, and advanced management techniques for government.



Howard K. Hyde

Howard K. Hyde, National Secretary — 1951-1952, is a management engineer in the Department of Defense in Washington, D. C. He served in this capacity for two years and was well-known as the Society's authority on constitutional By-Laws. Mr. Hyde has been a part of many committees of the Society and the Washington Chapter and is continuing his work with the Society.

From September, 1951 to May, 1952 the Pittsburgh Chapter, S.A.M. has lent assistance to the Pennsylvania Association of the Blind in the areas of industrial engineering and industrial relations in their manufacturing operations and in the placement of blind in industry generally. This association employs more blind people than any other such industry in the country. Also there are four S.A.M. members on the Board of Directors.

Notable results have been achieved in the Sewing Department of the plant and also the Broom Department. The following overall steps have been taken in order to achieve tangible results within the next year:

1. All key personnel have been screened by Methods Engineering Council.
2. A full time Industrial Engineer has been employed on the staff of the Association.
3. The entire purchasing procedures have been reviewed and members of the student chapters assigned to the establishing of minimums and maximums, reorder quantities, reorder points, etc.
4. Personnel changes have been made to strengthen the organization. Incoming personnel have been evaluated by Methods Engineering Council in conjunction with their employment by the organization.
5. A tentative industrial budget for the year 1952 has been established.
6. Management controls have been initiated to assist in the general management of the operation.
7. The entire sales program is in the process of analysis in order to strengthen our system of distribution.
8. The organizational structure is in the process of review in order to provide a sound basis for the redevelopment of the plant.

Mr. W. Harold Bleakley, General Manager of the Pennsylvania Association for the Blind, Pittsburgh Branch had the following comment to make concerning this work:

"I am sure that it is an understatement to say that without the assistance of the Society it would be impossible to help the more than 170 blind persons employed here to become self-supporting. With the assistance of the Society, I am thoroughly convinced that we cannot only make the capable blind self-supporting and keep the Association on a profitable basis, but also increase tremendously the number of blind persons who benefit as a result of the service of the Association."

DETROIT

The Detroit Chapter of S.A.M. has, for the past two years, acted in the capacity of industrial engineering consultant for the Harper Hospital of that city. The project, entitled "Improvement of Patient Care" has been a most worthwhile contribution to the community at large as well as introducing new and improved techniques in hospital administration. Some important aspects of this project were training in work simplification and supervision. Studies using industrial engineering practices were made and consulted upon. The results, while not reported in Detroit, have attracted national interest in the hospital field, and increased efficiency in the hospital has been quite satisfactory. Public acknowledgment of S.A.M.'s part in this undertaking was given by the Detroit Council of Nursing and by the DETROIT TIMES.

The project plan included a study of patient and staff opinions of the quality of current hospital service. It also included a study of the use and requirements of skilled professional personnel. A committee known as "The Advisory

Committee on the Improvement of Patient Care" was formed by the hospital and members were people experienced in the several phases of the project. It was found that the hospital presented no new or unique situation from the viewpoint of an Industrial Engineer. The same industrial engineering techniques that work in an industrial plant, also work in the hospital situation.

Owen R. Goodrich of the Packard Motor Car Company and an active SAM member, was on the over-all Advisory Committee and presented the results to the Society.

CINCINNATI

As a result of all of the development work, experience and planning of the National Training Laboratory in Group Development, plus two years of experimental work, the Cincinnati Chapter of S.A.M. presented an Executives Workshop in Managerial Skills. Only sixty top executives who were most vitally interested in developing their manpower participated in this project. By having this restricted group it was possible to carry out the purposes of the Workshop — which were to enable executives to spot manpower waste, develop executive skill in obtaining maximum benefits from group effort and to help to develop improved and more practical methods of training men.

The program was designed for the man who is the driving force in business today—and for those junior executives who will run the companies of tomorrow. It was an intensive training session that developed skills in order to make more effective use of group action throughout the business world.

The Workshop was staffed and directed by the most able men in the United States. The Chairman of the Planning Committee of the Executives Workshop in Managerial Skills was H. M. Hopkins, Works Manager of The Tool Steel Gear & Pinion Company.

There were five sessions (four half days and one full day) of serious thought, analysis and discussion on the part of those who participated in this Workshop. The most outstanding feature of this type of project is that top executives get the advantages of the Workshop Training and still carry on their own managerial responsibilities in their companies.

MANAGEMENT INFORMATION
AREA AND CHAPTER CONFERENCES — 1951-1952

CHAPTER	CONFERENCE	TYPE
Atlanta	Management Conference (Jointly sponsored afternoon Session with University of Georgia)	Area
	Third Training Conference	Chapter
Boston	Annual Afternoon and Evening Conference	Chapter
Chicago	Industrial Engineering Conference	Chapter
Cincinnati	Second Industrial Management Conference (Jointly sponsored with Miami University School of Business Administration)	Area
Dayton	First Annual Method-Time-Measurement Conference	Chapter
Detroit	Management Conference (Panel discussion by Chapter. Jointly sponsored with Detroit YMCA)	Area
Greensboro	Second Annual Industrial Conference (Jointly with A.I.I.E. Student Conferences)	Chapter
	Motion and Time Study Conference (Jointly with A.S.M.E.)	Area
Hartford	Management Conference (Jointly sponsored with The University of Connecticut)	Area
Indianapolis	Annual Management Conference	Chapter
Milwaukee	Methods-Time-Measurement Conference	Chapter
	The 1952 Personnel Conference (Jointly sponsored with the Industrial Relations Assn. of Wisconsin)	Area
Montreal	Third Annual Industrial Engineering Conference	Chapter
New Haven	Management Conference (Jointly sponsored with The University of Connecticut)	Area
N. New Jersey	Sixth Annual Spring Conference on "Men, Methods, Management"	Chapter
	Second Annual Conference (Jointly sponsored with The Technical Societies Council of New Jersey, Inc.)	Area
Philadelphia	Fourth Annual Regional Conference	Area
Pittsburgh	Spring Conference on Industrial Relations	Chapter
	National Industrial Relations Conference (Jointly sponsored with U. S. Chamber of Commerce and other Industrial Associations)	Area
Twin City	Tenth Annual Industrial Relations Conference (Jointly sponsored with the Industrial Relations Center of the University of Minnesota)	Chapter
Washington	Spring Conference	Chapter
Western Mass.	First Annual Conference	Chapter

EXECUTIVE DEVELOPMENT
LIST OF ROUND TABLE SESSIONS — 1951-1952

CHAPTER	NAME OF SERIES	NUMBER OF SESSIONS
Baltimore	Human Relations, Work Measurement In Jobbing & Small Lot Size Plants, Cost Controls, Production Control, Materials Handling, Wage Incentives	1 each
Boston	Harvard Case Studies	7
	Human Relations	5
	Coordination on Problems in Manufacturing	7
Cincinnati	Harvard Case Studies	7
Cleveland	Industrial Engineering and Production, Current Problems, Human Relations, General Administration, Wage and Salary Administration	10 each
Columbus	Seminar on Fundamentals of Top Management	10
Greensboro	Roundtable Discussion Meetings	7
Hudson Valley	Harvard Case Studies	7
	Time Study	8
	Personnel	8
Indianapolis	Harvard Case Studies	4
Lancaster	Methods Time Measurement	6
	Educational Courses (Jointly sponsored with Franklin and Marshall College and NACA)	
	Plant Visitations	5
Los Angeles	Study Groups on Wage Incentives and Wage and Salary Administration	5
Nashville	Harvard Case Studies	8
New York	Third Annual Careers Round Table	1
N. New Jersey	Industrial Relations Fall Training Course	10
	Industrial Engineering Roundtable	10
Philadelphia	Plant Maintenance Series	6
Providence	Harvard Case Studies	8
St. Louis	Motion and Time Study Course (Jointly sponsored with Department of Industrial Engineering of Washington University)	12
Trenton	Roundtable Discussions on "The Perfect Management Team"	14
Washington	Accounting as an aid to Management	8
	Budgeting as an aid to Management	8
	Information and Public Relations	8
	International Agency Management	8
	International Operations of the U.S.	8
	Management Improvement & Manpower Utilization	8
	Property Management	8
	Program Planning and Control	8
	Research Administration	8
	Scientific Management Applied to the Home	3
Wilmington	Harvard Case Studies	8
Worcester	Government Controls	3
		312

PROVIDENCE

Early in 1951 the Providence Chapter began a project at the New Bedford Textile Institute which has had far-reaching effects and has proved to be a very successful and worthwhile venture. The chapter members, realizing the need for courses in management, outlined a program of industrial organization and management lectures.

They first obtained a copy of the Institute's catalogue. From that they learned that the curriculum covered all phases of textile technology very thoroughly, as well as the usual general studies, but virtually nothing was offered in the area of management training. A visit to the Institute showed it to be a well-equipped and well-staffed technical school with fine laboratory facilities for the teaching of textile technology. However, their idea for more than fifty years apparently had been "teach 'em how to make textiles — period." Armed with this knowledge, the members advanced the concept that technical training was not enough. Graduates of the school are the logical successors to management and administrative responsibilities in the industry, and if they completed their technical studies without any training in industrial organization and management, they were being sent out into the industry only half-trained.

As a result of this survey, the Providence Chapter offered to put on an introductory course in "Industrial Organization and Management" without charge to the Institute. A basic text was adopted and Professor Harrison D. Myrick, President of the Providence Chapter, prepared a topical outline for a series of ten lectures which followed the pattern of the textbook.

The course was open not only to the students at the Institute, but also to any interested people in the community. Lectures, which drew audiences up to 300, were attended by about half of the entire student body at the Institute, virtually all of the members of the faculty, and a cross-section of the community interested in Industrial Management, which ranged from heads of corporations down to mill hands. All of the speakers volunteered their services and the only expense to the Chapter was the traveling expense of those speakers who

came from a considerable distance. Strangely enough, top-management people in the textile industries were enthusiastic about the project and wondered why it had not been attempted before. They had long recognized this lack in the training of the graduates they had employed.

From this point, logical development of the program in the Institute is up to the Trustees and faculty. In view of the interest and enthusiasm shown, there is reason to hope that the Providence Chapter has planted its seeds in fertile ground.

WILMINGTON

One of the Community projects carried out by the Wilmington Chapter, S.A.M. for the year 1951-1952, was advisory assistance to the local Civil Defense Organization. This activity actually started about two years ago, but reached its full development during the past year. When a Director of Civil Defense was appointed in Wilmington in 1950, he requested the Wilmington Chapter to assist with problems with which the members of the Chapter were qualified to deal — problems involving organization and methods of operation and procedure. A committee of the Chapter was formed at that time which proceeded to work with the Director of Civil Defense. The first problem which obviously required solution was the establishment of an organization specifically tailored to the needs of the community. Following this, the Committee proceeded to study each function within the organization. This study consisted of a series of discussions with the various members of the Civil Defense Organization, the purpose of which was to develop the following information:

1. The specific function of each division and individual office within each division.
2. The available means to carry out the function.
3. Existing conflicts between functions and steps required to eliminate conflicts.

By June, 1951 this work was completed and a series of recommendations were made to the Director, practically all of which were accepted. Job descriptions listing the primary functions were also prepared. As a result of the many and detailed discussions which the members of the Committee held with various individuals in the Civil Defense Organization, the Committee as a whole acquired intimate knowledge of the workings of the organization.

In view of this, the Director of Civil Defense requested that S.A.M. assign the Committee as a permanent advisory body to his organization. The Chapter complied with this request and the S.A.M. Committee is now operating in that capacity. It is now functioning in relation to the Civil Defense Organization similar to an Industrial Engineering in an industrial organization.

ATLANTA

The Georgia Institute of Technology, Engineering Extension Division, has for a number of years offered an adult education program primarily for the industrial people of Georgia and South. This program, open to all qualified persons desiring to increase their knowledge and earning capacity, consists of a series of Industry-Management Short Courses and was co-sponsored this year by the Atlanta Chapter, S.A.M. The courses, each 2 days in length, were limited to single subjects, condensed to a minimum time for adequate instruction, and spread over the entire 1951-1952 school year. The staff for each course was comprised of the best qualified men available from the Georgia Tech faculty, industry, business, and other educational institutions. Topics covered in the Short Course Preference List were the following: The Scanlon Plan, Industrial Work Simplification, Taxes and Management, Personnel Management for Supervisors, Advanced Time Study, Employee Selection, Statistical Quality Control, Industrial Financing in the Southeast, Materials Handling, Motion Standard Data, Management and Trade Regulations, Supervisory Training, Office Work Simplification, Job Evaluation and Merit Rating, Cost Accounting and Employee Training.

MILWAUKEE

The Milwaukee, Wisconsin Chapter is another S.A.M. Chapter which has become interested in Junior Achievement activities. S.A.M., N.A.C.A., and S.M.A.

MANAGEMENT EDUCATION
LIST OF CHAPTER CLINICS — 1951-1952

CHAPTER	CLINIC
Allentown	First Annual Time Study Clinic (Jointly sponsored with Lehigh University)
Atlanta	Methods-Time-Measurement Clinic
Cen. New York	Methods Improvement and Work Measurement Clinic (Jointly sponsored with Syracuse University)
Cleveland	Third Annual Management Clinic
Detroit	Fourth Annual Management Clinic
Indianapolis	Work Simplification Spring Forum
Los Angeles	Fourth Annual Industrial Engineering Institute (Jointly sponsored with Colleges of U.C.L.A., A.S.M.E. and S.A.I.E.)
Louisville	Methods-Time-Measurement Clinic
Milwaukee	Manufacturing Management Problem Clinic (Jointly sponsored with Milwaukee Institute of Technology)
St. Louis	Advanced Work Measurement Clinic
San Francisco	Fourth Annual Industrial Engineering Institute (Jointly sponsored with University of California in Berkeley, A.S.M.E. and A.I.I.E.)

in Milwaukee have supervised the J.A. program and are continuing to carry through with it. S.A.M. initiated a Rating Program and with seven men on their committee, rate the J.A. companies at least once a month.

COLUMBUS

The Columbus Chapter, S.A.M. presented this year an award to the best managed Junior Achievement Company. Junior Achievement, Inc. is a non-profit national organization which is developing and expanding an educational program to give teen-age youth experience in ownership, experience in management and experience in working for something. The award consists of a rotating trophy and individual citations to members of the best managed company each year.

EXECUTIVE TRAINING CHAPTERS USING HARVARD CASE STUDIES — 1951-1952

Boston	Montreal
Baltimore	Nashville
Cincinnati	New Haven
Cleveland	Providence
Dayton	St. Louis
Hudson Valley	Wilkes-Barre
Indianapolis	Wilmington

The company to which the award will be made is determined by a Rating Questionnaire drawn up by the Columbus Chapter. This consists of questions pertaining to Marketing Research, Company Objectives, Product Specifications, Organization Planning, Delegation of Responsibility and Authority, Policies, Sales Planning, Administrative Planning, Sales Promotion, Distribution, Sales Analysis, Production Scheduling, Capacity Control, Purchasing, Quality Management, Cost Control, Administrative Control, The Company's Book Value, Net Income Per Share and Your Sales Dollar. When the questionnaire is completed it is turned over to the Executive Director of Junior Achievement of Columbus, Inc., certified correct by him and forwarded for evaluation to the Secretary of the Columbus Chapter, S.A.M. The award for 1951-1952 for the best managed Junior Achievement Company was presented to JAMCO, sponsored by the Columbus Bolt and Forging Company.

SOCIETY AWARDS

THROUGH THE PRESENTATION of trophies, medals and other awards SAM recognizes the services of individuals and groups that have made outstanding contributions to management in the past year. Most of these presentations are made during the Conferences.

The Taylor Key, one of the highest awards of the Society, awarded annually for the outstanding contribution to the advancement of the art and science of management as conceived by Frederick W. Taylor, was presented to Dean Donald K. David of the Graduate School of Business Administration of Harvard University.

The Human Relations Award for outstanding accomplishment in human relations was awarded to Glenn L. Gardiner, Vice President of the Forstmann Woolen Company of Passaic, New Jersey.

The Gilbreth Medal, an annual award in honor of the work of Frank B. and Lillian M. Gilbreth for noteworthy achievement in the field of Motion, Skill, and Fatigue Study was awarded Ralph Presgrave of J. D. Woods & Gordon Ltd.

The Industrial Incentive Award given because of a desire to recognize accomplishment, and to stimulate further endeavor in the field of financial and non-financial incentives, was awarded Professor Ralph M. Barnes of the Department of Engineering and Production Management of the University of California in Los Angeles.

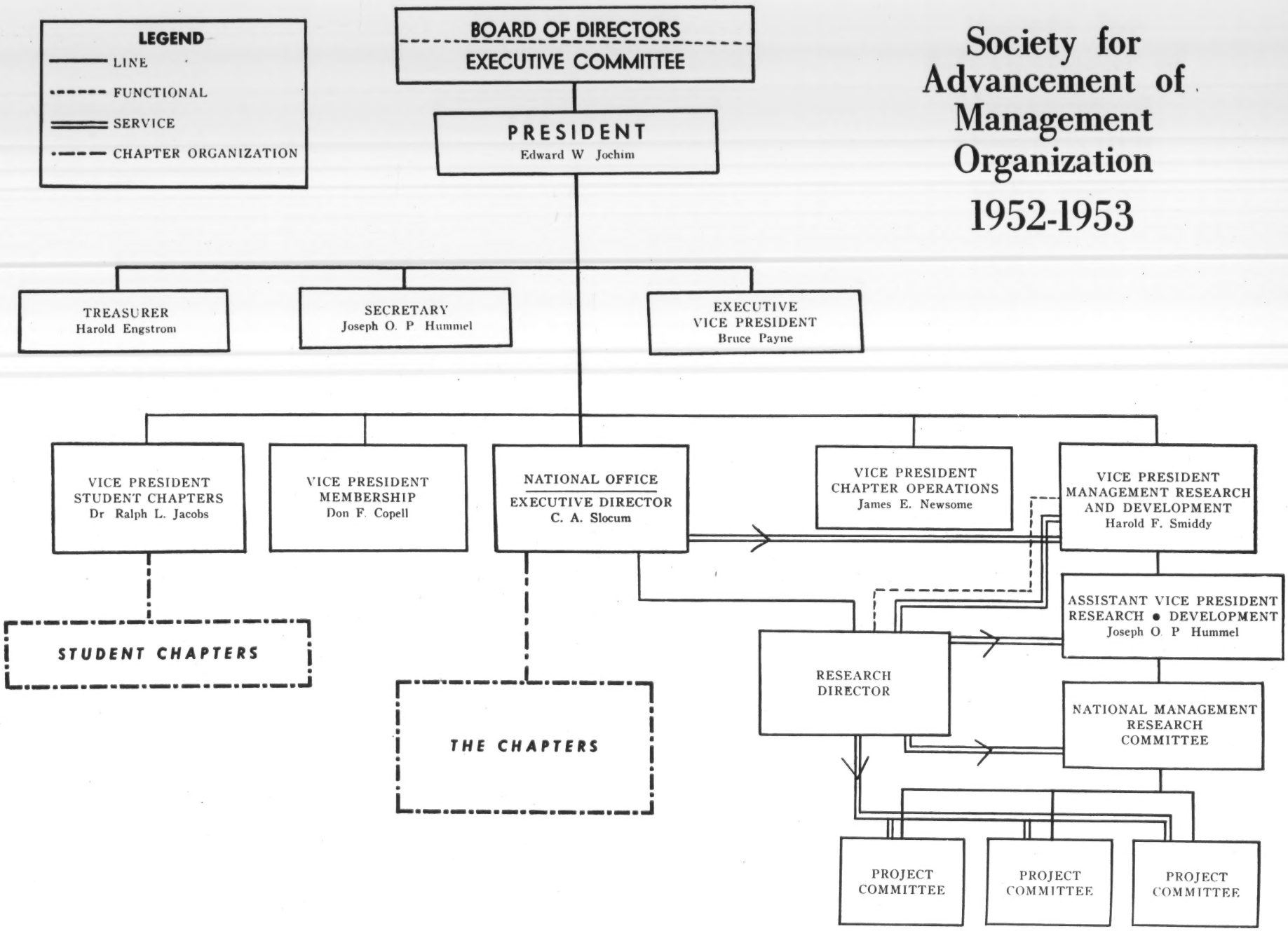
The Chapter Membership Key awards for 1951-52 were presented to the following: The Detroit Chapter (Byron C. Coats) for the greatest *numerical* increase in membership; The Greensboro Chapter (Raymond Miller) for the greatest *percentage* increase in membership; and the New Brunswick Chapter (Howard W. J. Baines) for securing more new members during its first year of operation, than any other new chapter.

Life Memberships were awarded for twenty years of continuous membership in SAM, if the individual is sixty-five years of age, to six members. They were Francis Goodell of the Washington Chapter, A. B. Segur and William G. Bailey of the Chicago Chapter, John Gaillard of the New York Chapter, Eldridge W. Palmer of Non-Chapter and Morris E. Leeds of Non-Chapter, (Mr. Leeds passed away February 8th of this year).

The Harrington Emerson Trophy award was presented to the Milwaukee Chapter of SAM for having made the greatest contribution towards advancing the science of management and for having earned the greatest number of points under the Chapter Performance Award Plan during the year ending June 30, 1951. By the high standard achieved in its public relations projects; its cooperation with industry, education, and other management groups in varied fields of activity; its regular and special meetings; and its membership growth, the Milwaukee Chapter won the right of possession of the trophy for the year.

The accomplishments, as reported by competing Chapters each month, are evaluated in terms of points and are reported in ADVANCED MANAGEMENT in the Society News section each month. The point standings for the top five Chapters at the close of the contest period were as follows:

Milwaukee	3204
Washington	3063
Pittsburgh	2779
New York	2590
Greensboro	2477



Society for Advancement of Management Organization

1952-1953

PERSONAL vs. LABOR INTERESTS

By RALPH C. DAVIS

Professor of Business Organization
The Ohio State University

Are business and labor organizations to change from social institutions into an instrument of the state?

THE PRIMARY FUNCTION of collective bargaining was, originally, to equalize the bargaining power of operative employees and owners. It was hoped that employees would be able to sell their services, through bargaining agents, for a "fairer" price. The bargaining process was largely a matter of the adjustment of the personal interests of owners and employees in the purchase and sale of personal services. The area of collective bargaining has gradually been extended by administrative and judicial rulings. It includes many objectives now that are broad social values, rather than economic values. Little thought has been given to the ultimate consequences. No criteria have been set up by legislators that will enable management or the public to determine where the collective bargaining process ends and the managerial process begins. As of the moment, the collective bargaining process has no end.

The business organization is an economic institution. It exists to serve the customer. Its primary objective, therefore, is an economic service. The owner's profit is earned only when it represents a reward of capital for a successful acceptance of business risk, under competitive conditions, in rendering such a service. The desire of owners for a profit and of employees for good wages and working conditions are collateral business objectives, however. So are the social objectives of the business organization.

All of the customers of all kinds of businesses constitute the public. The values that are contributed to the public by all business organizations are the values that sustain a modern industrial society. Owners are accountable to the public for continuous contributions to a steadily increasing standard of living. Accountability is established through the operation of free markets under conditions of free competition, within the established limits of public policy. Organized labor is not subject directly to any such accountability. There are certain relations between these objectives that have been regarded as normal in the past.

CHANGE IN BASIC NATURE

The basic nature of any type of institution is changed when its collateral objectives are elevated above its primary objectives. There is a definite tendency in this direction within the business organization. It is largely a result of union pressure based on a quasi-monopoly of the labor force, in combination with political pressure. It will ultimately change the business organization in some degree, from an economic institution to a social agency, if it is permitted to continue. Organized labor tends to become an unofficial taxing body that can levy social insurance taxes on the public for the benefit of its members through the price of the product. It tends to acquire the power to compel the consuming public to pay what it regards as fair wages. The result is likely to be further regulation of both Capital and Labor. This moves obviously in the direction of some advanced condition of socialism. The ultimate change for both business and labor organizations then, is from a social institution to an instrument of the State. The end result is likely to be less liberty and a lower standard of living. It is difficult also to see how there can be any great measure of security for anyone in a bankrupt economy.

DEMANDS OF STEELWORKERS

The demands of the CIO-Steelworkers for guaranteed annual wages in the steel industry were intended to be an opening wedge for its extension throughout American Business. This was made clear by Mr. Phillip Murray in his presentation of the annual wage proposal to the U. S. Wage Stabilization Board in January, 1952. Demands for any such benefits throughout Industry, on a non-contributory basis, would have some far-reaching economic, social and political consequences.

Any such far-reaching developments tend to elevate certain collateral objectives of the business organization above its primary objectives. This is particularly true, under present conditions, with respect to the personal objectives of operative employees. It is obvious that the employee hopes to gain personally from such alleged social gains, as well as directly from wage increases. A condition tends to develop in which the customer exists to serve the personal interests of employees and owners, in the order named. Any general development of this kind constitutes a reversal of a public policy that has been an important factor in our present high standard of living.

These tendencies, if continued, lead necessarily to results that are not in the public interest. The demand for "management sharing" by union leaders, for example, would set up a divided accountability to the public for the accomplishment of economic objectives. A maximum, practicable application of the

(*Continued on Page 22*)

NMC INTERNATIONAL NEWS

NMC INTERNATIONAL NEWS is a new feature beginning in this issue of ADVANCED MANAGEMENT. This new feature will be edited by the staff of the National Management Council. We feel that the work of the Council in the advancement of the art and science of management at the international level is most noteworthy. We feel, too, that our readers would like to know more about the work being done by this organization.

The National Management Council is a non-profit, non-political organization founded in 1933 by the leading societies and associations interested in the promotion of the science and art of management. It represents these American societies and associations at the international level. The founders included: American Management Association; American Society of Mechanical Engineers, Management Division; American Society for Public Administration; Association of Consulting Management Engineers; International City Managers Association; National Office Management Association and the Society for the Advancement of Management, which, of course makes S.A.M. a charter member. Thus, for over two decades the Council has taken the leading position, as a service to the American societies and associations, in the development of better management in the world.

The Council represents the United States in the International Committee for Scientific Management (CIOS), a coordinating, cooperative society, composed of like associations in twenty other countries.

The NMC is a medium through which its members encourage the widest utilization of the principles and techniques of scientific management as a basic force in the maintenance of an economy of free enterprise and high standards of living for the world's people.

EDUCATION FOR MANAGEMENT IN EUROPE

A Conference on Education for Management in Europe was held under the auspices of the National Management Council during June in New York City. The purpose of the Conference was to afford the opportunity for educational administrators in the United States to confer individually with European industrialists interested in developing schools or courses of management in their respective countries.

European management was represented by eleven leaders and Japan sent an observer. Twenty-five United States educators represented their respective educational institutions at the Conference. The program consisted of an opening session, a closing session and forty-nine seminar conferences in which small groups of educators met consecutively with each of the Europeans for periods approximating an hour in length.

The participants are now preparing individual reports on their findings. After these have been thoroughly studied, a final report will be made on the Conference results.

CENTENNIAL OF ENGINEERING

Approximately 300 engineers are being brought to this country from overseas by the Mutual Security Agency to attend the Centennial of Engineering in Chicago from September 3rd to 13th inclusive. The National Management Council has been entrusted by the MSA to make the necessary arrangements for this group while it is in the United States.

The program which has been developed includes a four-day inductory seminar in New York City on economic, social and industrial phases of the American way of life. Outstanding leaders in management, labor, industrial relations and social-economic fields will lead these discussions. After this, the group will journey to Chicago for the Centennial of Engineering.

At the conclusion of the Centennial, the group will separate into about 35 smaller groups for a tour of United States plants, professional societies, and outstanding engineering developments; these to include flood control projects, hydro-electric installations, bridge construction and scientific farming, according to the individual interest. These tours being arranged by the NMC staff will cover a period of two weeks, after which the engineers will return to their respective countries.

WESTERN HEMISPHERE MANAGEMENT CONFERENCE

The second session of the Western Hemisphere Management Conference will convene in Chicago on Monday, September 8th. The first of these regional management conferences was held in Quebec, Canada, in 1949. This year's conference is under the auspices of the International Committee of Scientific Management (CIOS), with the Brazilian Institute of Management (IDORT), the Canadian Management Council, and the National Management Council of the United States participating under the Administration of Management Division of the American Society of Mechanical Engineers (ASME).

Mr. C. A. Peachey, President, Canadian Management Council, will preside as Chairman of the Conference. Mr. Harold B. Maynard, Member of ASME and President of the International Committee of Scientific Management (CIOS), will open the Conference. Mr. Ralph Presgrave, Associate Member ASME and Vice President, J. D. Woods Gordon Ltd., Toronto, Canada, will present a paper on "Human Aspects of Industrial Engineering". Mr. Lyndall F. Urwick, London, England, will be the speaker on the ASME Calvin W. Rice Lecture, his subject, "Management's Debt to the Engineer". Mr. Ruy Miller de Paiva, representing the President of the Brazilian Institute of Management, will be the dinner speaker. The Conference will close with a Round Table Discussion of "Management Development in the Western Hemisphere". The moderator will be Mr. A. M. Lederer, President of the

National Management Council of the United States.

Not only does the Council export management information to countries overseas, it transmits the latest developments in management overseas to its members in the United States.

As the only management organization directly representing management associations in the international field, NMC is incidentally playing an important role in furthering the Government's Mutual Security Agency program to increase productivity in the Marshall Plan countries. Teams from Europe have been organized for lengthy visits to the United States. Their curriculum at our leading Universities, and plant tours, are arranged by the Council. Teams of American executives and management authorities have been organized and are visiting European nations to conduct seminars in American management concepts and practices.

We believe that our readers will find this new feature most interesting and will look forward to it each month.

Society Continues to Expand

Four large Chapters, composed of business leaders, well balanced in community activity and with a feeling for a definite need of broadening their vision by organization, have been established recently. The new members, from all branches of industry, government, education, and finance, are finding the true values of the benefits of scientific management in SAM.

The four new SAM Chapters are Asheville, North Carolina, Charlotte, North Carolina, Greenville-Spartanburg, South Carolina, and Reading, Pa.

The Asheville, North Carolina Chapter got off with an unusually successful start, claiming almost a hundred top community leaders as charter members. The Charter was presented on November 15, 1951 by Leon J. Dunn, National President of SAM. The President of the Asheville Chapter is Fred A. Wayant, chief industrial engineer of the American Enka Corporation.

The Charlotte, North Carolina Chapter was incorporated on April 26, 1952, with fifty-four members. The Charter was presented by C. A. Slocum, Executive Director of SAM on June 10, 1952. The President of The Charlotte Chapter is Emmett F. Williams of The Duplan Corporation.

The Greenville-Spartanburg, North Carolina Chapter was incorporated on May 26, 1952. The Charter was presented at an organizational meeting held on May 27, 1952, by Leon J. Dunn, SAM National President. There were forty-one Charter members in the Chapter. Howard A. Stevenson, Senior Associate of Bruce Payne and Associates, Inc. is President of the Chapter.

The Reading, Pa. Chapter has been approved by the National Board of Directors and will be presented a Charter at a Fall meeting. The membership of the Charter members to date is forty. W. H. Geib of The Glidden Company is President of the Chapter.

These four new Chapters with their membership are now receiving and will continue to receive the benefits of SAM in the exchange of valuable management information, in executive development and administrative education. They have already received the help of the National Executive Director who helped arrange their organizational meetings, aided in laying out their year's programs of monthly meetings, round tables, and clinics.

CHAPTER STANDINGS
As of June 1, 1952

MEMBERSHIP		CHAPTER PERFORMANCE AWARD	
New York	433	Washington	3492
Chicago	315	Greensboro	2853
Philadelphia	306	Pittsburgh	2723
Cleveland	290	Hudson Valley	2488
N. New Jersey	286	Allentown	2383
Cincinnati	271	N. New Jersey	2290
Washington	230	Milwaukee	2136
Boston	212	Boston	1940
Pittsburgh	205	New Brunswick	1790
Detroit	184	Trenton	1727
Los Angeles	140	Baltimore	1678
Milwaukee	135	Chicago	1669
San Francisco	113	Detroit	1556
Indianapolis	105	New York	1509
New Brunswick	105	Philadelphia	1487
Greensboro	104	Wilmington	1481
Lancaster	99	Indianapolis	1216
Dallas	95	Atlanta	1159
Dayton	94	Wilkes-Barre	1114
Asheville	89	Cleveland	1081
New Haven	88	Central Penn.	1025
Hudson Valley	87	Montreal	801
Baltimore	84	Asheville	767
Montreal	63	Worcester	755
Worcester	62	Cincinnati	732
Allentown	62	Los Angeles	719
St. Louis	61	St. Louis	657
Bridgeport	59	San Francisco	650
Providence	58	Richmond	648
Atlanta	54	Lancaster	633
Trenton	54	Nashville	603
Columbus	52	Dayton	584
Hartford	52	Bridgeport	493
Central Penn.	50	Birmingham	486
New Orleans	50	Portland	474
Wilkes-Barre	49	Columbus	451
Wilmington	48	Dallas	429
Knoxville	48	Louisville	376
Louisville	48	Manchester	372
Charlotte	47	Western Mass.	372
Birmingham	45	Knoxville	369
Manchester	42	New Orleans	320
Greenville	41	Central New York	315
Richmond	38	Providence	198
Portland	38	New Haven	195
Twin City	38	Stamford	132
Baton Rouge	37	Hartford	112
Western Mass.	35	Kansas City	80
Central New York	33	Twin City	60
Kansas City	24	Baton Rouge	12
Nashville	15		
Stamford	11		

ACTIVITIES FOR WHICH CHAPTERS RECEIVE EMERSON TROPHY POINTS

MONTHLY MEETING NOTICES

REPORT OF SPECIALIZED GROUP MEETINGS

REPORT OF MEMBERSHIP GROWTH
- Increased membership
- Reinstatement of membership

NATIONAL PUBLICATIONS AND PUBLICITY
- Articles written by members
- Quality of article written by member
- Transcript or digest of chapter speeches
- Member's article in S.A.M. national publication
- Member's article in other national publications

NEWSPAPER ANNOUNCEMENT BEFORE MEETING

NEWSPAPER REPORT AFTER MEETING

CHAPTER NEWS BULLETIN
- Copy of news bulletin

REPORT OF MEETING OF CHAPTER BOARD OF DIRECTORS

ANNUAL POINTS AWARD

CHAPTER ORGANIZATION
- Including
- a. Elected Officers List
- b. Committee Chairmen
- c. Sub-Committee Chairmen

NET ANNUAL MEMBERSHIP GROWTH

ADVANCE SEASON PROGRAM
- a. Monthly Program Topics
- b. Monthly Program Speakers

SPECIAL ACTIVITIES
- a. Research Results
- b. Conferences
- c. Clinics
- d. Special Chapter Projects
- e. News Publicity
- f. Social Activities
- g. Public Relations Projects

ATTENDANCE AT GENERAL CHAPTER MEETINGS

ORGANIZATION OF A NEW CHAPTER

ANNUAL CHAPTER FINANCIAL STATEMENT

(*Continued from Page* 19)

principle of participation is desirable. It is not synonomous with management sharing. A further result could be a conspiracy between certain business and union leaders against the economic interests of the public. It could be merely a tacit, unofficial understanding whereby management puts its percentage on top of inflated costs. A possible ultimate result could be the control of large segments of the economy by labor leaders, based on the power of a quasi-monopolistic position. Syndicalism has been defined as a political and economic condition in which the means of production are owned or controlled by a labor oligarchy. It is probable that this would be merely an intermediate stage in the movement toward some higher degree of socialistic state capitalism.

RIGHT OF PRIVATE PROPERTY

These trends in the relations between owners and organized labor tend to break down the right of private property. This right is one of those that is basic to individual freedom. Its loss would result in the loss of the right of collective bargaining, as well as the right of private enterprise.

There must be some point where the collective bargaining process ends and the managerial process begins. Some statement of public policy must be formulated by our legislative bodies that will enable management and the public to determine where it is. It is not likely to be done, however, until an aroused public opinion threatens legislators with loss of votes. It is suggested that the following concepts should be considered in the formulation of such a policy, when, as and if this happens:

1. The right of final decision should rest with management when the problem has to do primarily with an accomplishment of the organization's primary objective — customer service in terms of more goods of better quality for more people, with satisfactory conditions of delivery at competitive prices.

2. The right of final decision rests necessarily with government when the problem has to do primarily with public policy as it affects the social objectives of business organizations generally. It should not extend to the individual enterprise otherwise. A particular business organization still has its collateral social objectives. They have to do with contributions to community well-being. They include facilitative services for government such as income tax deductions. They include voluntary cooperation with employees in the improvement of their conditions beyond the requirements for the purchase and sale of services, and similar values.

3. The problem is one for collective bargaining when it has to do primarily with an adjustment of the personal objectives of owners and operatives in connection with the purchase and sale of personal services, provided that the employees wish to be represented by a bargaining agent.

Those personal interests of employees that are the subject of social legislation should not be bargainable. The employer should exercise the initiative, wherever possible, in enabling the employee to satisfy any such desires that are sound and reasonable. Otherwise, his leadership of his employees will be further impaired. Political leaders will be given further opportunities for intervention in the operation of private enterprise. Such a policy does not estop the use of conferences between executives and employee representatives for the purpose of integrating the interests of owners and operatives. It does not stop the application of the principle of participation.

It is an obvious truism that the present situation demands a high degree of economic statesmanship from our business leaders. It is less obvious that the public is getting it.

MEETINGS OF NATIONAL OFFICERS

Executive Committee	Sept. 20
Board Meeting	Nov. 1
Executive Committee	Feb. 7
Board Meeting	April 18
Executive Committee	May 16
Board Meeting	June 27

(*Continued from Page* 12)

Executive Committee of the Society. A standing Committee on Decentralization is to be established to advise the Society of the need for such action as and where this develops; to determine the functions to be performed thereby; to provide an avenue for accountability by regional authority; and, to recommend such measures of financing, program activity, and coordination of Society organization as will help assure its general welfare.

This action has been taken due to the fact that there is a demand for increasing the services rendered by the Society to its Chapters and membership.

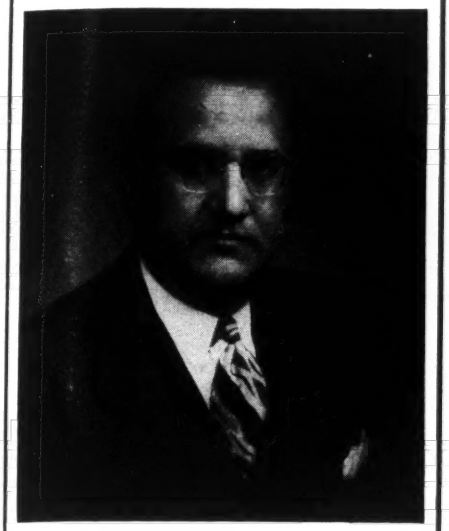
The Research Committee in its yearly report indicated that provisions had been made for a full time Research Director, an Assistant Vice President of Research and Development, a National Management Research Committee and three Research Project Committees, in addition to the Vice President of Research and Development.

There will be two yearly meetings of the National Management Research Committee under the appointed Vice President of Management Research and Development. At these meetings the Committee will select and designate specific projects which will constitute the yearly research program. The three major National Research Projects will be so planned that they will be running simultaneously with one added and one finished each year. There is a limit of three years to each Project. Each Project selected will be in a field that will insure that there are adequate funds to support it. These funds may be raised direct or taken from the Revolving Fund.

The two Research Projects already under way will soon be brought to completion. They are the "Glossary of Engineering Terms" and the "Management Code of Ethics."

In pursuing its established purposes, the Society is, and long has been, concerned with the analysis and solution of management problems at all levels of responsible management and in all functional areas, including administration, research and development, production, public, employee, customer and governmental relations, industrial engineering, distribution and control and finance. The Society is bringing about the continued exchange of information from all levels and areas of management. Its policies are continuing with a flexibility that is becoming more and more locally tailored to fit the needs of the Chapters. The standards of membership have been raised with more top and middle management men in evidence. More firms are becoming interested in the sound program of SAM. The Society is attaining the objectives and developing the philosophies and principles for which it was founded.

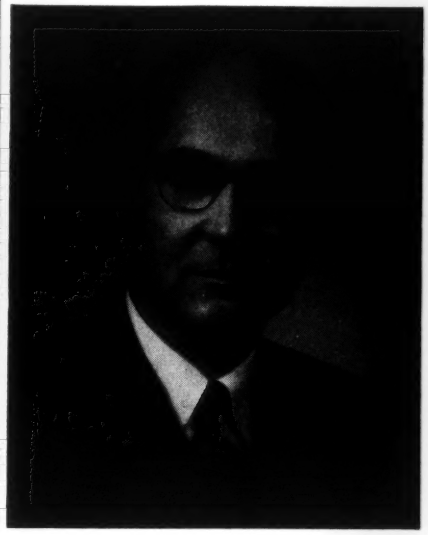
Vice President—Charge of Membership—1952-1953



Don F. Copell

Don F. Copell is Vice President of Engineering and Personnel Training of Wagner Baking Corporation of Newark, N. J. He was the founder and editor of MODERN MANAGEMENT, the official publication of SAM. He served as President and National Director of the Northern New Jersey Chapter of SAM.

Secretary 1952-1953



J. O. P. Hummel

J. O. P. Hummel is a consultant in the Productivity and Technical Assistance Division of the Mutual Security Agency in Washington, currently on temporary assignment in Paris, France. Mr. Hummel served as National Director and President of the Central Pennsylvania Chapter and Vice President of the Technical Division of SAM.

Vice President—Charge of Chapter Opns.—1952-1953

James E. Newsome

James E. Newsome is the superintendent of Johnson & Johnson in Chicago. Mr. Newsome served as Executive Vice President, President and National Director of the Chicago Chapter of SAM and has been a speaker at many Universities and Chapter clinics and conferences.

AS IT WOULD BE SAID

These are the purposes of SAM

The purposes of the Society are through research, discussion, publication and other appropriate means:

1 — To study analytically and to foster widespread application of, basic principles of management; and thereby, among other beneficial results,

2 — To aid in improvement of living standards, in conservation and utilization of natural resources, in increase of productivity, especially through greater individual and group productiveness and work satisfaction and in mutually desirable correlation of social, industrial and governmental progress,

3 — To bring about a better understanding of the mutual interests of the public, customers, labor, investors, management and government in improved management.

4 — To provide forums and means whereby executives, supervisors, engineers, teachers, public officials and others concerned, who apply scientific principles and methods to management problems, may promote such common interests; and

5 — To inspire in all such individuals, and especially in employees and managers, a constant adherence to the higher ethical concepts of individual and collective social responsibility.